



DEPARTMENT OF THE ARMY

U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

02 SEP 1993

CERE-M (405-90)

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Real Estate Policy Guidance Letter No. 16 -- Revision of Policy and Procedures for Disposal Actions of Improvements Without Underlying Land (DA Form 337)

1. Reference enclosed CERE-MM memorandum dated 8 April 1993, SAB. This 1993 memo, although not issued under the specific heading of a policy letter, assimilated a new policy. The action at hand is to amend that policy.
2. To facilitate disposal of improvements without the underlying land, referenced memo is hereby amended with the following:
 - a. Family Housing. The MACOM has authority to execute the DA Form 337 for the disposal of all family housing provided that pre-disposal clearance from the Assistant Chief of Staff for Installation Management, ATTN: DAIM-FDH-M, 600 Army Pentagon, Wash, DC 20310-0600 has been obtained. Coordination with ASA(I,L&E) and CERE-M is no longer required. Authority to execute the DA Form 337 is subject to screening the property in accordance with DA guidance on the Stewart B. McKinney Homeless Assistance Act.
 - b. Non-Family Housing. The MACOM has authority to execute the DA Form 337 for the disposal of all non-family housing improvements. Pre-disposal clearances as set forth in referenced memo shall continue to apply. Unless required as a pre-disposal clearance, ASA(I,L&E) and CERE-M coordination is no longer required. The MACOM may redelegate authority to the installation commander to execute DA Form 337 if the cumulative cost to the Government (inventory cost) is less than \$200,000 per building. The installation commander may redelegate this authority, but not below the director of engineering and housing. Authority to execute the DA Form 337 is subject to screening the property in accordance with DA guidance on the Stewart B. McKinney Homeless Assistance Act.
3. It should be noted that no Congressional notification is required for disposal of improvements without the underlying land.


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4. The foregoing revisions to referenced memo are effective immediately and will be addressed in the revision to AR 405-90.

FOR THE COMMANDER:

Encl
as


B. J. FRANKEL
Director of Real Estate

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PO BOX 1500, HUNTSVILLE, AL 35807-3801
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REPLY TO
ATTENTION OF

CERE-MM

8 April 1993

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Revision of Policy and Procedures for Disposal Actions of Improvements Without Underlying Land (DA Form 337)

1. We have received numerous questions concerning the procedures and approval authority levels required regarding the disposal of improvements without the underlying land. Therefore, we revisited paragraph 6-5 of AR 405-90 and any supplemental guidance which has been issued. Effective immediately this policy letter will inform all entities involved in the disposal process of their respective responsibilities required for such disposal actions.

2. The disposal process begins when an installation no longer needs a specific real property to support its mission, and requires disposal of this real property. The Installation Commander will begin this process by requesting that the property in question be disposed. The Real Property Office will then prepare the DA Form 337, and decide what type of real property is to be disposed (Family Housing or Non-Family Housing). The type of real property will determine the approval authorities required for the property's disposal. The two property types are outlined below:

A. Family Housing. The installation has no approval authority for family housing. If the installation requires disposal of family housing, the following guidelines for approval will apply:

1. If the cumulative Real property cost to the Government (also known as inventory cost) of the real property is less than \$50,000 per project or \$5,000.00 per unit then the MACOM has approval authority. The installation will complete and forward the DA Form 337 to its MACOM as outlined in 3.B., below. An information copy of each approved disposal will be sent to the Director, USAEHSC, ATTN: CEHSC-H, Ft. Belvoir, VA 22060-5580 by the respective MACOM.
2. If the cumulative Real Property cost to the Government (inventory cost) of the improvement is greater than \$50,000 per project or \$5,000.00 per unit, then HQUSACE, CERE-M has approval authority.

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The installation will complete and forward the DA Form 337 to its MACOM for endorsement, who will then forward the DA Form 337 directly to HQUSACE, CERE-M for necessary coordination with USAEHSC (CEHSC-H) and ASA(I,L&E) and subsequent disposal action. This process is outlined in 3.C., below.

3. If the real property to be disposed was acquired/constructed for Army use within the past two years, then HQUSACE, CERE-M has approval authority, regardless of the property's inventory cost. The installation will complete and forward the DA Form 337 to its MACOM for endorsement, who will then forward the DA Form 337 directly to HQUSACE for necessary coordination with USAEHSC (CEHSC-H) and ASA(I,L&E) and subsequent disposal action. This process is outlined in 3.C., below.
4. All disposals are to be IAW sub-paragraphs 5-9 d. and e. of AR 210-50.

B. Non-Family Housing. If the installation requires disposal of non-family housing, the following guidelines for approval will apply:

1. Pre-Disposal Clearances. If the installation requires disposal of certain property (specific property types are listed below), then it must obtain approval through command channels from the appropriate office. Once it has obtained this written approval, it will obtain approvals for the disposal of property according to the guidelines listed in 2.B.3. Non-Family Housing Disposal Authorities, below. When the installation forwards the DA Form 337 to the appropriate disposal approval authority (i.e. MACOM or USACE), it must also attach the written approval of the special use authority. The types of real property and the approval offices for these special situations are listed below:

- Chapels--Obtain approval directly from the Chief of Chaplains (DACH-IML).
- Hospitals--Obtain approval directly from U.S. Army Health Services Command (HSLO-F).

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- Unaccompanied Personnel Housing (UPH) (formerly known as Troop Housing)--Obtain approval directly from CEHSC-H for facilities categorized as "permanent". No pre-disposal clearance necessary for those structures categorized as "temporary" or "semi-permanent".
 - Railroad Equipment--Obtain approval directly from the Office of Transportation, Energy, and Troop Support, Transportation Management Branch (DALO-TSM).
 - Historical Buildings or buildings eligible for nomination to the National Register of Historic Places--Obtain approval directly from CEHSC-FN.
 - Environmentally Contaminated or Hazardous Facilities excluding asbestos-only contaminated facilities--Obtain approval directly from DAEN-ZCI-P.
 - Controversial Disposal Actions (Facilities which are controversial or not clearly defined.)--Obtain approval directly from CERE-MM.
 - Improvements at Industrial Installations--Obtain approval from Commander, U.S. Army Materiel Command, ATTN: AMCEN-R. The Army Materiel Command (AMC) will be the final approval authority for disposal of real property improvements at industrial-type installations under its control. AMC will notify the Assistant Secretary of the Army (Research, Development & Acquisition) if the disposal will in any way affect major program acquisition.
2. Morale, Welfare, and Recreation Structures. Disposal of MWR facilities requires that HQDA (CFSC-CO-P) be provided with a copy of approved/executed DA Form 337 by the approving office. Pre-disposal clearance is not necessary.

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3. Non-Family Housing Disposal Authorities:

- a. If the cumulative cost to the Government (inventory cost) of the real property is less than \$100,000 per building, then the MACOM may delegate approval authority to the installation commander. The installation commander may redelegate this authority, but not below the director of engineering and housing. The installation may then proceed with disposal actions as outlined in 3.A., below.
- b. If the cumulative cost to the Government (inventory cost) of the real property is greater than \$100,000 and less than \$200,000 per building, then the MACOM has approval authority. The installation will complete and forward the DA Form 337 to its MACOM as outlined in 3.B., below.
- c. If the cumulative cost to the Government (inventory cost) of the real property is greater than \$200,000 per building, then HQUSACE has approval authority. The installation will complete and forward the DA Form 337 to its MACOM for endorsement, who will then forward the DA Form 337 to HQUSACE for necessary coordination and subsequent disposal action. This process is outlined in 3.C., below.
- d. If the real property to be disposed was acquired/constructed specifically for Army use within the past two years, then HQUSACE has approval authority, regardless of the property's inventory cost. The installation will complete and forward the DA Form 337 to its MACOM for endorsement, who will then forward the DA Form 337 to HQUSACE for necessary coordination and subsequent disposal action. This process is outlined in 3.C., below.
- e. If the real property to be disposed was acquired incidentally to land acquisition within the past two years, then the installation commander, after confirming

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there is no installation requirement for the improvements, will initiate disposal actions in accordance with a., b., or c. above.

- f. If the real property to be disposed is listed on an approved DD Form 1391 and is located in the footprint of new construction, the installation commander has approval authority regardless of the property's inventory cost.

3. Once an installation has determined the appropriate approval authority for its desired disposal action, it will begin one of the following three processes:

- A. Installation Approval Process. The installation commander will obtain all pre-disposal clearances as required. The commander will then sign the DA Form 337 in the designated space approving the disposal. If the improvements have sale/salvage value or if the sale/salvage value is questionable, the installation commander will consult with the appropriate COE district IAW paragraphs 6-5c(6) and (7) of AR 405-90 prior to signing the DA Form 337. The term "salvage value" means the probable sale price of a building, including separate serviceable components and scrap, if offered for sale on the condition that it will be removed from the installation at the buyer's expense less the administrative cost of the sale. After signature the DA Form 337 will be retained or forwarded to the appropriate office for disposal IAW para 6-5c.
- B. MACOM Approval Process. The installation commander will obtain all pre-disposal clearances as required. If the improvements have sale/salvage value or if the sale/salvage value is questionable, the installation commander will consult with the appropriate COE district IAW paragraphs 6-5c(6) and (7) of AR 405-90. After consultation and after all pre-disposal clearances have been obtained, the DA Form 337 will be forwarded to the appropriate MACOM for approval and execution. After signature the DA Form 337 will be forwarded to the appropriate office for disposal IAW para 6-5c.
- C. HQUSACE Approval Process. The installation commander will obtain all pre-disposal clearances as required. If the improvements have sale/salvage value or if the sale/salvage value is questionable, the installation

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commander will consult with the appropriate COE district IAW paragraphs 6-5c(6) and (7) of AR 405-90. After consultation and after all pre-disposal clearances have been obtained, the DA Form 337 will be forwarded to the appropriate MACOM for review. The MACOM will endorse the DA Form 337 and forward it to HQUSACE, ATTN: CERE-M for coordination with HQDA/OASA (IL&E) and Congress as necessary. Upon approval, HQUSACE will send the DA Form 337 to the appropriate office for disposal IAW para 6-5c.


4. It should be noted that pursuant to 10 U.S.C. 2662, real property with an estimated value in excess of \$200,000 must be reported to the Committees on Armed Services prior to disposal.

5. Improvements to be disposed require screening for suitability as facilities to assist the homeless pursuant to the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411) as amended. Procedures for McKinney Act screening have been promulgated by DAEN-ZCI-P.

6. Also note that all environmental documentation required by AR 200-1, AR 200-2 and related regulations must be attached to DA Form 337. Statements regarding environmental condition without accompanying documentation will not be accepted. Consequently, Appendix B of AR 405-90 is amended accordingly.

7. Questions regarding this policy should be directed to Mr. Robert Swieconeck, CERE-MM, (202) 272-1750.

FOR THE DIRECTOR:


S. JANICE HOWELL
Chief, Management and Disposal
Division
Directorate of Real Estate

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HQ, OFFICE OF CHIEF ARMY RESERVE, ATTN: DAAR-EN,
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U.S. MILITARY ACADEMY, ATTN: MAEN-C-R, WEST POINT, NY
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MILITARY TRAFFIC MANAGEMENT COMMAND, ATTN: MTLO-F,
5611 COLUMBIA PIKE, FALLS CHURCH, VA 22041
DEFENSE LOGISTICS AGENCY, ATTN: DLA-WIR, CAMERON STATION,
5010 DUKE ST, ALEXANDRIA, VA 22314
U.S. ARMY, PACIFIC, ATTN: APEN-C-RE, FT SHAFTER, HAWAII
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